

## **FISCAL NOTE**

### **HB 487 - SB 1194**

March 13, 2007

**SUMMARY OF BILL:** Requires the CoverKids program to offer dental coverage as part of the benefits package after January 1, 2008.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$739,100 FY 08  
\$2,211,900 FY 09**

**Other Fiscal Impact – Increase Federal Expenditures - \$2,217,400 FY 08  
\$6,635,700 FY 09**

#### **Assumptions:**

- There will be 27,000 children in year one who will receive six months of benefits and 40,400 children in year two who will receive a full year of benefits.
- The dental benefits are estimated to include: one exam every six months not to exceed two in a year, bitewing x-rays once in 12 months, sealants, simple extractions, pulpotomy, filling, and emergency treatment for dental pain.
- Based on SCHIP plans in other states, it is estimated that there will be an increase in expenditures of \$18.25 per child per month. The increase in expenditures for FY07-08 will be \$2,956,500 (27,000 X \$18.25 X 6) and \$8,847,600 (40,400 X \$18.25 X 12) in FY08-09.
- The state is receiving a 75% federal match for the operational expenses of the CoverKids program. Such will result in an increase in state expenditures for FY07-08 of \$739,125 (\$2,956,500 X .25) and \$2,211,900 (\$8,847,600 X .25) in FY08-09. The increase in federal expenditures will be \$2,217,375 (\$2,956,500 X .75) in FY07-08 and \$6,635,700 (\$8,847,600 X .75) in FY08-09.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director